

Facility Name: Heritage Woods of Watseka

Report Period Beginning:

01/01/2009

Ending: 12/31/2009

IV. COST CENTER EXPENSES (please round to the nearest dollar)

Operating Expenses		Costs Per General Ledger				Reclassifications and Adjustments	Adjusted Total	
		Salary/Wage 1	Supplies 2	Other 3	Total 4			
A. General Services								
1	Dietary and Food Purchase	164,056	124,419	1,951	290,426		290,426	1
2	Housekeeping, Laundry and Maintenance	50,175	13,478	25,248	88,901		88,901	2
3	Heat and Other Utilities			111,975	111,975	(14,680)	97,295	3
4	Other (specify):			6,099	6,099		6,099	4
5	TOTAL General Services	214,231	137,897	145,273	497,401	(14,680)	482,721	5
B. Health Care and Programs								
6	Health Care/ Personal Care	262,024	1,378		263,402		263,402	6
7	Activities and Social Services	24,421	4,372		28,793		28,793	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	286,445	5,750		292,195		292,195	9
C. General Administration								
10	Administrative and Clerical	87,383	8,127	684,556	780,066	(13,549)	766,517	10
11	Marketing Materials, Promotions and Advertising	20,174	1,396	29,315	50,885		50,885	11
12	Employee Benefits and Payroll Taxes			124,989	124,989		124,989	12
13	Insurance-Property, Liability and Malpractice			9,639	9,639		9,639	13
14	Other (specify):			8,238	8,238		8,238	14
15	TOTAL General Administration	107,557	9,523	856,737	973,817	(13,549)	960,268	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	608,233	153,170	1,002,010	1,763,413	(28,229)	1,735,184	16
Capital Expenses								
D. Ownership								
17	Depreciation							17
18	Interest			5,287	5,287		5,287	18
19	Real Estate Taxes							19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify):			2,250	2,250		2,250	22
23	TOTAL Ownership			7,537	7,537		7,537	23
24	GRAND TOTAL (Sum of lines 16 and 23)	608,233	153,170	1,009,547	1,770,950	(28,229)	1,742,721	24

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V. STAFFING AND SALARY COSTS (Please report each line separately.)

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1	\$ 22.17	1
2	Licensed Practical Nurses	1	18.38	2
3	Certified Nurse Assistants	10	9.23	3
4	Activity Director & Assistants	1	11.68	4
5	Social Service Workers			5
6	Head Cook	1	12.13	6
7	Cook Helpers/Assistants	8	8.74	7
8	Dishwashers			8
9	Maintenance Workers	1	11.76	9
10	Housekeepers	2	8.18	10
11	Laundry			11
12	Managers	1	28.61	12
13	Other Administrative	1	14.50	13
14	Clerical			14
15	Marketing	0	19.58	15
16	Other			16
17	Total (lines 1 thru 16)	27	\$	17

VI. (A) STATEMENT OF COMPENSATION AND OTHER PAYMENTS TO OWNERS, RELATIVES AND MEMBERS OF THE BOARD OF DIRECTORS.

	NAME and FUNCTION	Ownership Interest	Average Hours Per Work Week Devoted to this Business	Amount of Compensation for this Reporting Period	
1				\$	1
2					2
3					3
4					4
5					5
				Total	6
				\$	

VI. (B) Management fees paid to unrelated parties

		Amount of Fee	
1	BMA Management, LTD	\$ 86,606	1
2			2
		Total	3
		\$	86,606

VII. RELATED ORGANIZATIONS

A. Enter below the names of all related organizations. Attach an additional schedule if necessary.

RELATED SLF's & HEALTH CARE BUSINESSES

Name	1	City	2
DSI Flora Operator, LLC		Flora	
DSI Ottawa Operator, LLC		Ottawa	
DSI Manteno Operator, LLC		Manteno	

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5

B. Does your facility receive services from a parent organization or home office; the costs for which were not included on page 3? YES NO

Name of related entity: _____ If yes, what is the value of those services? \$ _____
(Please attach a separate schedule itemizing those services.)

C. Does page 3 include any costs derived from transactions (including rent) with related parties? YES NO

If so, please attach a separate schedule detailing the nature of those services, their costs as they appear on your books and the underlying cost to the related party (i.e., not including markup).

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VIII. OWNERSHIP COSTS

N/A - LEASED

A. Purchase price of land _____ Year land was acquired _____

B. Building Depreciation -- Including Fixed Equipment. Round all numbers to the nearest dollar.

*Total units on this schedule must agree with page 2.

	1 Units*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1					\$	\$		\$	\$	\$	1
2											2
3											3
4											4
5											5
	Improvement Type										
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17	TOTAL (lines 1 thru 16)				\$	\$		\$	\$	\$	17

C. Equipment Depreciation -- Including Transportation.

	Type	1 Cost	2 Current Book Depreciation	3 Straight Line Depreciation	4 Adjustments	5 Life in Years	6 Accumulated Depreciation	
18	Movable Equipment	\$	\$	\$	\$		\$	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$	\$	\$	\$		\$	20

D. Depreciable Non-Care Assets Included in General Ledger.

	1 Description and Year Acquired	2 Cost	3 Current Book Depreciation	4 Accumulated Depreciation	
21		\$	\$	\$	21
22					22
23					23
24	TOTALS (lines 21, 22 and 23)	\$	\$	\$	24

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IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: DSI Watseka Owner, LLC

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? YES NO

		1	2	3	4	5	6	
		Year Constructed	Number of Units	Date of Lease	Rental Amount	Total Yrs. of Lease	Total Years Renewal Option*	
3	Original Building	2004	65	10/24/07	\$	30		3
4	Additions			/ /				4
5				/ /				5
6				/ /				6
7	TOTAL		65		\$			7

8. Is movable equipment rental included in building rental? YES NO

9. Rental amount for movable equipment \$ _____

10. If the facility rents any vehicles which are used for care-related purposes, please attach a schedule detailing the model year and make, the rental expense for this period and the use of the vehicle.

X. INTEREST EXPENSE

	1	Name of Lender	2		3	4	6		7	8	9	
			Related**	YES			NO	Purpose of Loan				
							Original	Balance				
		A. Directly Facility Related										
		Long-Term										
1						/ /	\$		/ /		\$	1
2						/ /			/ /			2
3						/ /			/ /			3
		Working Capital										
4		COUNTRY BANK		X	LINE OF CREDIT	11/1/09	450,000	125,833	11/1/10	VARIABLE	4,986	4
5						/ /			/ /			5
6		INT ON SEC DEPOSITS				/ /			/ /		301	6
7		TOTAL Facility Related					\$ 450,000	\$ 125,833			\$ 5,287	7
		B. Non-Facility Related										
8						/ /			/ /			8
9						/ /			/ /			9
10		TOTALS (lines 7, 8 and 9)					\$ 450,000	\$ 125,833			\$ 5,287	10

* If there is an option to buy the building, please provide complete details on an attached schedule.

** If there is any overlap in ownership between the facility and the lender, this must be indicated in column 2.

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XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2009

(last day of reporting year)

		1	2	
		Operating	After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 96,907	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	304,794		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	9,436		6
7	Other Prepaid Expenses	497		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 411,634	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost			16
17	Accumulated Depreciation (book methods)			17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 411,634	\$	25

*(See instructions.)

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 129,672	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	53,511		28
29	Short-Term Notes Payable	125,833		29
30	Accrued Salaries Payable	26,393		30
31	Accrued Taxes Payable			31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	Accrued Liabilities	10,197		35
36	Unearned Revenue	23,470		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 369,076	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable			39
40	Bonds Payable			40
41	Deferred Compensation			41
	Other Long-Term Liabilities(specify):			
42				42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 369,076	\$	45
46	TOTAL EQUITY	\$ 42,558	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 411,634	\$	47

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XII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this Schedule to Schedule IV.)

	1	Amount	
	Revenue		
	A. SLF Resident Care		
1	Gross SLF Resident Revenue	\$ 1,851,410	1
2	Discounts and Allowances	(5,896)	2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 1,845,514	3
	B. Other Operating Revenue		
4	Special Services	66,597	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	5,433	8
9	Non-Resident Meals	850	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 72,880	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	462	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 462	14
	D. Other Revenue (specify):		
15	Deposit Fee	200	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 200	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 1,919,056	18

	2	Amount	
	Expenses		
	A. Operating Expenses		
19	General Services	497,401	19
20	Health Care/ Personal Care	292,195	20
21	General Administration	973,817	21
	B. Capital Expense		
22	Ownership	7,537	22
	C. Other Expenses		
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
28	TOTAL EXPENSES (sum of lines 19 thru 27)	\$ 1,770,950	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 148,106	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 148,106	31

COST CENTER EXPENSES

A. General Services - Other

Exterminating	730
Rubbish Removal	3,519
Vehicle Expense	1,462
Water Softener	388
Window Washing	
Misc Operating Expenses	
Total	6,099

C. General Administration - Other

Consulting	394
Legal	-
Accounting	45
Audit	4,500
Bad Debt	3,299
Total	8,238

D. Ownership

Letter of Credit	2,250
Mortgage Insurance Premium	
Partnership Management Fee	
Asset Management Fee	
Incentive Manangement Fee	
Tax Credit Fee & Incentive Fee	
Amortization Expense	
Business Interruption	
Property Damage Loss	
Total	2,250

Reclassifications and Adjustments

Heat & Other Utilities (14,680) Cable

Administrative and Clerical (13,549) Telephone Revenue

